

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB2258

By: Sherrer of the House and Burrage of the Senate

Title: State government; requiring agencies to share information and coordinate investigative and enforcement efforts for certain purpose; codification; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendments and that the attached Conference Committee Substitute be adopted.

Respectfully submitted,

SENATE CONFEREES

Burrage _____
Newberry _____
Coates _____
Ballenger _____
Brinkley _____
Ford _____

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 2258

By: Sherrer and Hoskin of the
House

7 and

8 Burrage, Coates, McAffrey,
9 Newberry and Ivester of the
10 Senate

11 CONFERENCE COMMITTEE SUBSTITUTE

12 An Act relating to contractors; requiring employer
13 identification number on certain bids; providing for
14 penalties; requiring specified agencies to share
15 information and coordinate investigative and
16 enforcement efforts for certain purpose; providing
17 authorization for creation of secure database and
18 promulgation of rules; providing for codification;
19 and providing an effective date.

20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

21 SECTION 1. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1708 of Title 68, unless there
23 is created a duplication in numbering, reads as follows:

24 A. All contractors submitting a written bid on a public
construction project offered for bid in this state shall be required

1 to include with the bid written proof of their employer
2 identification numbers issued by the Oklahoma Tax Commission, the
3 Oklahoma Employment Security Commission, the Internal Revenue
4 Service, and the Social Security Administration which are required
5 to be in their possession pursuant to Section 1701.1 of Title 68 of
6 the Oklahoma Statutes.

7 B. Any contractors failing to provide their employer
8 identification numbers as required by law prior to entering the bid
9 process on a public construction project in this state, or
10 contractors that fail to include proof of their employer
11 identification numbers on a written bid as required in subsection A
12 of this section, or any contractor that performs work in this state
13 as a resident or nonresident contractor without registration as
14 required by Section 1701.1 of Title 68 of the Oklahoma Statutes,
15 shall be fined by the Oklahoma Tax Commission an amount not to
16 exceed ten percent (10%) of the contractor's total bid or project
17 cost, whichever is higher, which shall be in addition to any other
18 penalties allowed by law.

19 C. Any contractor that intentionally misclassifies individuals
20 as independent contractors rather than employees for the purpose of
21 affecting procedures and payments relating to withholding and social
22 security, unemployment tax or worker's compensation premiums shall
23 be fined by the Oklahoma Tax Commission an amount not to exceed ten
24 percent (10%) of the contractor's total bid or project cost,

1 whichever is higher, which shall be in addition to any other
2 penalties allowed by law.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1709 of Title 68, unless there
5 is created a duplication in numbering, reads as follows:

6 The Oklahoma Tax Commission, Oklahoma Workers' Compensation
7 Court, Department of Labor and Oklahoma Employment Security
8 Commission shall share information and coordinate investigative and
9 enforcement efforts for the purpose of detecting those contractors
10 who intentionally misclassify individuals as independent contractors
11 rather than employees for the purpose of affecting procedures and
12 payments relating to withholding and social security, unemployment
13 tax or workers' compensation premiums. The agencies required by
14 this section to share information and coordinate efforts shall be
15 authorized to create a secure database of information accessible by
16 agency representatives responsible for enforcement and shall be
17 further authorized to enter into contracts and interagency
18 agreements and promulgate such rules as may be necessary to
19 implement this section.

20 SECTION 3. This act shall become effective November 1, 2012.

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22 53-2-10432 LRB 05/03/12

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